

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
In re

Chapter 11  
Case No. 08-13555 (JMP)

LEHMAN BROTHERS HOLDINGS INC.,

-----X  
SECURITIES INVESTOR PROTECTION  
CORPORATION,

Adversary Proceeding  
No. 08-01420 (JMP)

Plaintiff,

-against-

LEHMAN BROTHERS INC.,

Debtor,  
-----X

**OBJECTION OF  
CHARLES RIVER BROKERAGE, LLC TO CURE AMOUNT**

CHARLES RIVER BROKERAGE, LLC ("Charles River"), through its undersigned attorneys, hereby objects to the Cure Amount (capitalized terms defined below) with respect to Charles River, as listed in the revised schedules of Closing Date Contracts, recently filed in these jointly administered proceedings and currently set forth at <http://chapter11.epiqsystems.com/lehman> (the "Website") and, in support of such objection, respectfully states as follows:

**BACKGROUND**

1. As set forth in the Notice of Revisions to Schedules of Certain Contracts and Leases Assumed and Assigned to Purchaser, dated October 1, 2008, and the Notice of Revised Exhibit A to the Notice of Revisions to Schedules of Certain Contracts and Leases Assumed and Assigned to Purchaser, dated October 2, 2008 (collectively, the "Revision Notices"), issued on

behalf of Barclays Capital Inc. (the "Purchaser") in these proceedings with respect to Lehman Brothers Holdings Inc. ("LBHI") and Lehman Brothers Inc. ("LBI") (collectively, the "Debtors"), the Debtors have assigned or are assigning to Purchaser, and Purchaser is assuming, certain executory contracts to which either LBI or LBHI is a party, pursuant to Section 2.5 of the Asset Purchase Agreement dated September 16, 2008 (the "Purchase Agreement") entered into by the Purchaser and approved by the Court.

2. Certain of the executory contracts being assigned and assumed as of the closing date contemplated by the Purchase Agreement are referred to in the Revision Notices and in these proceedings as "Closing Date Contracts." Furthermore, the payments required to be made to the counterparties to such Closing Date Contracts, in order to cure defaults and satisfy open obligations under such Closing Date Contracts, are referred to in the Revision Notices and in these proceedings as the "Cure Amounts."

3. As described below, Charles River is a vendor to LBI under one or more Closing Date Contracts, and is accordingly listed as a Closing Date Contracts counterparty in Exhibit A to the Revision Notices and in the Website. As stated in the Revision Notices and in the Website, the schedules of Closing Date Contracts, including the names of the counterparties and the Cure Amounts related thereto, were updated and revised as of October 1, 2008.

#### **OBJECTION TO CURE AMOUNTS**

4. Charles River is party to a contract with LBI, entitled "Interface Testing and Maintenance Agreement" and dated April 11, 2005. Under this agreement, Charles River has been furnishing LBI with certain proprietary software and interface programs, together with related services, to enable LBI's customers to use both LBI's algorithmic trading program known as "LMX" and certain Charles River securities trading and management software. Charles River

has been regularly invoicing LBI for the amounts due under this agreement (referred to as the "LMX Agreement"), and LBI has been regularly paying Charles River's invoices until recently.

5. There are two open and unpaid invoices due to Charles River under the LMX Agreement. The first is dated August 25, 2008, in the amount of \$60,715.21, and the second is dated September 22, 2008 in the amount of \$43,507.52, for a total amount of \$104,222.73 due to Charles River under the LMX Agreement. Such invoices were sent to LBI in the ordinary course, and copies are annexed hereto as Appendix A.

6. Notwithstanding the foregoing, the revised schedules of Closing Date Contracts, as referenced in the Revision Notices and as set forth in the Website under the heading "Non IT Closing Date Contracts (excluding Real Estate) (updated as of 10/1/08 – 9:00PM), indicate a "Revised Cure Amount" due to Charles River of only \$60,715.21, which represents only one of the two outstanding invoices as described above (see copy of Website page and highlighted entry for Charles River annexed hereto as Appendix B.) **Charles River objects to this amount as incorrect and insufficient to cure the outstanding obligation of LBI to Charles River under the LMX Agreement.**

7. In addition to the LMX Agreement, LBI is party to a second "Interface Testing and Maintenance Agreement" with Charles River, dated December 20, 2006, which second agreement relates to software and system integration services in relation to a product known as "Real Tick" developed by Townsend Analytics Ltd. No amounts are currently owed by LBI to Charles River under this agreement (referred to for convenience as the "Real Tick Agreement").

8. In recent telephone conferences, the management of Charles River has been informed by representatives of the Purchaser that the Purchaser wishes to assume both the LMX Agreement and the Real Tick Agreement, and that Purchaser intends to pay amounts due to

Charles River on account of invoices previously sent to LBI. Charles River is willing to consent to such assumption provided that full payment of such amounts is made and an appropriate instrument is executed between Charles River and the Purchaser.

**CONCLUSION**

WHEREFORE, Charles River **OBJECTS** to the Cure Amount stated in the Revision Notices and Website with respect to Charles River, and requests the Court to deny any request for the assumption of the LMX Agreement and the Real Tick Agreement until the correct invoice balance of \$104,222.73 due to Charles River is paid in full.

Dated: New York, New York  
October 13, 2008

GARVEY SCHUBERT BARER

By: 

Andrew J. Goodman, Esq. (AG-3406)

*Attorneys for Charles River Brokerage, LLC*

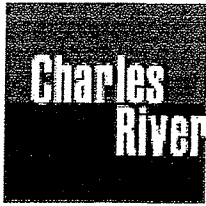
100 Wall Street, 20<sup>th</sup> Floor

New York, New York 10005

Telephone: (212) 431-8700

Facsimile: (212) 334-2378

## **EXHIBIT A**



Charles River Brokerage, LLC  
7 New England Executive Park  
Burlington MA 01803

(781) 238-0099 Ext. 6973

Invoice	B1831
Inv. Date	8/25/2008
Due Date	9/24/2008

**Bill To:**

FED TAX ID: 20-0941887

Lehman Brothers, Inc  
Cristian Grullon  
745 Seventh Avenue  
New York New York 10019

**Remit Checks to:**

7 New England Executive Park  
Burlington MA 01803

**Wire Funds To:**

Charles River Brokerage, LLC  
Bank of America  
Acct # 9419954955  
ACH # 0110-0013-8 or Wire TF 0260-0959-3

Purchase Order No.		Customer ID	VAT Registration Number	Payment Terms	
		LBI-S		Net 30 Days	
Quantity	Item Number	Description	Adjustment	Unit Price	Ext. Price
1.00	JNT	Interface Testing & Marketing Agreement - US	\$0.00	\$20,968.65	\$20,968.65
1.00	JNT	Interface Testing & Marketing Agreement - Europe	\$0.00	\$39,746.56	\$39,746.56

IF YOU HAVE ANY QUESTIONS REGARDING THIS INVOICE,  
PLEASE CONTACT ANITA KUMARI AT 781-425-6958.

<b>Subtotal</b>	\$60,715.21
<b>Tax</b>	\$0.00
<b>Other</b>	\$0.00
<b>TotalDue US</b>	\$60,715.21

Please Reference Invoice Number on all payments.

Thank you for your prompt payment

CRD reserves the right to assess interest on payments received after

Net 30 Days

Per contract



FED TAX ID: 20-0941887

Lehman Brothers, Inc  
Cristian Grullon  
745 Seventh Avenue  
New York New York 10019

Wire Funds To:  
Charles River Brokerage, LLC  
Bank of America  
Acct: 009419954955 Swift: BOFAUS3N  
ACH # 0110-0013-8 or Wire TF 0260-0959-3

Invoice	B1861
Inv Date	9/22/2008
Due Date	10/22/2008

IF YOU HAVE ANY QUESTIONS REGARDING THIS INVOICE,  
PLEASE CONTACT ANITA KUMARI AT 781-425-6958.

<b>Subtotal</b>	<b>\$43,507.52</b>
<b>Tax</b>	<b>\$0.00</b>
<b>Other</b>	<b>\$0.00</b>
<b>Total Due US</b>	<b>\$43,507.52</b>

CRD reserves the right to assess interest on payments received after Net 30 Days

Per contract

## **EXHIBIT B**



Vendor Name	Original Cure Total	Revised Cure Total	Notification Address 1	Notification Address 2	Notification City, State Zip	Lehman Entity
Level-EBX Group	\$92,058.20	\$0.00				
GA CREDIT, LLC	\$85,000.00	\$92,500.00				
Englander #1 (Wald)	\$84,069.80	\$0.00				
FM Brokerage-Total	\$81,849.80	\$57,961.20				
SUNGARD INSTITUTIONAL BROKERAGE INC	\$80,683.02	\$95,007.42				
TFS PMR NG	\$80,288.38	\$0.00				
CHICAGO & MIDWEST Transaction Fees	\$79,614.86	\$0.00				
THOMAS WEISEL PARTNERS	\$77,858.12	\$95,253.10				
Toronto Stock Exchange	\$76,340.31	\$0.00				
Choice NGA	\$75,512.50	\$0.00				
Options (OP)	\$75,290.59	\$0.00				
MURPHY & DUREU	\$72,537.50	\$0.00				
ENLACE INT S.A. DE C.V.	\$72,308.00	\$74,308.00				
RAFFERTY	\$70,000.00	\$0.00				
TRADITION	\$66,950.49	\$0.00				
ENLACE MEXICO	\$65,458.12	\$0.00				
Speedron UK	\$65,115.00	\$0.00				
Omgeo-Airt & Oasys	\$65,049.91	\$0.00				
Charles River Brokerage, LLC.	\$63,108.74	\$60,716.21				
ITG-INC - BRLEH, BRLE9	\$62,641.75	\$0.00				
CREDIT SUISSE SECURITIES(USA), LLC	\$62,431.75	\$226,350.13				
BOSTON Options Exchange	\$61,235.30	\$18,159.95				
United (Gas)	\$60,566.68	\$0.00				
LBMM- routing fee	\$58,961.82	\$0.00				
Transaction Network Services-27821	\$57,169.03	\$0.00				
ICAP Corporates (Account 90081) Total	\$55,199.30	\$0.00				
TFS UK	\$54,895.99	\$0.00				
Thomson Financial Networks	\$53,545.00	\$0.00				
HS	\$52,237.50	\$0.00				
Primex Energy Broker	\$50,792.50	\$0.00				
Cherry	\$50,000.00	\$0.00				
OVG	\$49,970.18	\$0.00				
BALL CAPITAL INC	\$48,598.80	\$0.00				
CFI Brokers UK	\$47,355.00	\$0.00				
Singard/ Automated Securities (NB)	\$46,886.52	\$0.00				
DTC 7312	\$46,523.62	\$0.00				
Fidelity Investments	\$46,454.73	\$37,307.23				
Louis Capital Markets Philly	\$46,317.75	\$0.00				
TFS DERIVATIVES CORPORATION	\$45,973.80	\$762,964.00				
PCB	\$45,000.00	\$0.00				
LCMC	\$44,535.71	\$0.00				
TriOptima - Rates	\$43,400.00	\$0.00				
Blackwatch Brokerage, Inc. T-Rowe Price	\$42,900.14	\$0.00				
Louis Capital Markets	\$42,269.40	\$19,093.50				
FX ALL	\$42,214.68	\$0.00				
FX CONNECT	\$41,114.27	\$0.00				
Speedron	\$40,559.50	\$0.00				
Chatham	\$39,730.00	\$0.00				
Sungard - #7312	\$39,072.32	\$0.00				
Plebon Financial - 40/LBFIN Total is now 03 account	\$37,918.55	\$20,568.14				
TFS Oil	\$37,471.59	\$0.00				
Louis Capital Markets ISE	\$37,135.86	\$0.00				
PVM Oil	\$36,942.50	\$0.00				
Amerex Natural Gas	\$35,188.36	\$0.00				
Eurobrokers	\$34,999.99	\$0.00				
Choice PWR	\$34,758.43	\$0.00				
CHAPDELAINE CORP	\$33,912.50	\$9,339.00				
Tulley Liberty Securities Total Now Collins Stewart	\$33,242.00	\$0.00				
Sungard - #0079	\$32,160.98	\$0.00				
GFI Group Inc. - EDI BIS Total	\$32,075.00	\$0.00				

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SECURITIES INVESTOR PROTECTION  
CORPORATION,

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No. 08-01420 (JMP)

Plaintiff,

-against-

**AFFIDAVIT OF SERVICE**

LEHMAN BROTHERS INC.,

Debtor,

-----X  
STATE OF NEW YORK )

COUNTY OF NEW YORK ) ss.:

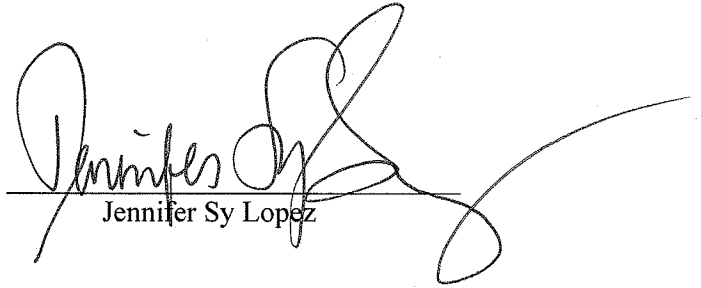
JENNIFER SY LOPEZ, being duly sworn, deposes and says:

I am employed by the firm of Garvey Schubert Barer, attorneys for Charles River Brokerage, LLC; I am not a party to the above action; I am over 18 years of age and reside at Staten Island, New York. On October 13, 2008, I served the annexed **OBJECTION OF CHARLES RIVER BROKERAGE, LLC TO CURE AMOUNT** via FACSIMILE, EMAIL AND FIRST CLASS MAIL to the following addresses:

Weil, Gotschal & Manges LLP  
767 Fifth Avenue  
New York, NY 10153-01119  
Attn: Lori R. Fife and Shai Y. Waisman  
Fax: 212-310-8007  
Email: [lori.fife@weil.com](mailto:lori.fife@weil.com)  
[Shai.waisman@weil.com](mailto:Shai.waisman@weil.com)

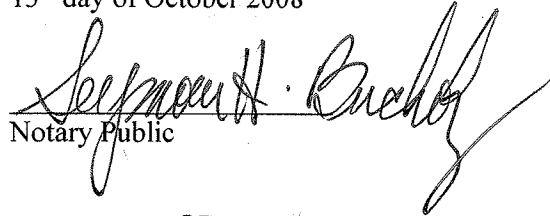
Hughes Hubbard & Reed LLP  
One Battery Park Plaza  
New York, NY 10004  
Attn: Jeffrey S. Margolin  
Fax: 212-422-4726  
Email: [margolin@hugheshubbard.com](mailto:margolin@hugheshubbard.com)

Cleary Gottlieb Steen & Hamilton LLP  
One Liberty Plaza  
New York, NY 10006  
Attn: Lindsee P. Granfield and  
Lisa M. Schweitzer  
Fax: 212-225-3999  
Email: [lgranfield@cgsh.com](mailto:lgranfield@cgsh.com)  
[lschweitzer@cgsh.com](mailto:lschweitzer@cgsh.com)



Jennifer Sy Lopez

Sworn to before me this  
13<sup>th</sup> day of October 2008



Notary Public

**SEYMOUR H. BUCHOLZ**  
Notary Public, State of New York  
No. 02BU4877114  
Qualified in Westchester County  
Commission Expires 10/27/2012